

Sales of tangible personal property that qualify as pollution control facilities are exempt from Retailers' Occupation Tax liability. See the enclosed copy of 86 Ill. Adm. Code 130.335. (This is a GIL).

April 23, 1999

Dear Ms. Xxxxx:

This letter is in response to your letter dated February 23, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

As of February 17, 1999, the company listed above became a new entity in the State of Illinois. We were formally COMPANY, and more recently COMPANY2. As a manufacturer of wastewater treatment equipment, we are in need of a tax exempt status in your area. Could you please provide us with the necessary forms to enable us to comply with your local requirements for this status.

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It would certainly be appreciated.

Thank you in advance for your help in this matter.

We have forwarded a copy of your letter to the Income Tax Division of our office for response regarding any Illinois Income Tax issues. This letter will only address any sales tax questions set out in your letter.

Organizations that make application to the Department of Revenue and are determined to be exclusively religious, educational, or charitable, receive an exemption identification number ("E" number). See the enclosed copy of 86 Ill. Adm. Code 130.2007. This number evidences that the Department recognizes the organization as exempt from incurring Use Tax when purchasing tangible personal property in furtherance of its organizational purposes. If an organization does not have an E number, then its purchases are subject to tax. Please be aware that only sales to organizations holding the E number are exempt, not sales to individual members of the organization.

Please note that sales of tangible personal property that qualify as pollution control facilities are exempt from Retailers' Occupation Tax liability. For your information, we have enclosed a copy of 86 Ill. Adm. Code 130.335 concerning Pollution Control Facilities.

The pollution control facilities exemption extends to any system, method, construction, device or appliance appurtenant thereto sold or used or intended for the primary purpose of eliminating, preventing, or reducing air and water pollution as the term "pollution" is defined in the Environmental Protection Act (415 ILCS 5/1 et seq.), or for the primary purpose of treating, pretreating, modifying or disposing of any potential solid, liquid or gaseous pollutant which if released without such treatment, pretreatment, modification or disposal might be harmful, detrimental or offensive to human, plant or animal life, or to property. The seller must obtain a certification for each sale as described in 86 Ill. Adm. Code 130.335(a) of the Department's rules.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Terry D. Charlton
Associate Counsel

TDC:msk
Enc.